Calendar No. 846

100TH CONGRESS *2d Session*	SENATE	REPORT 100–435

FEDERAL FIRE PREVENTION AND CONTROL ACT AMENDMENTS

Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

OF THE

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ON

H.R. 4419

JULY 27, (legislative day, JULY 26), 1988.—Order to be printed

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U.S. GOVERNMENT PRINTING OFFICE
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S263-15

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

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Calendar No. 846

100TH CONGRESS
2d Session

SENATE

REPORT
100–435

FEDERAL FIRE PREVENTION AND CONTROL ACT AMENDMENTS

JULY 27 (legislative day, JULY 26), 1988.—Ordered to be printed

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Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

[To accompany H.R. 4419]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (H.R. 4419) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, having considered the same, reports favorably thereon with an amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

The bill provides authorization of appropriations for activities under the Federal Fire Prevention and Control Act of 1974 (the "1974 Act").

BACKGROUND AND NEEDS

Fire is one of the leading causes of accidental death in the United States. The amount of property damage and loss of life in the United States is among the worst of the industrialized nations, with more than 6,000 deaths and billions of dollars in property loss attributable to fires each year.

In 1973, the National Fire Prevention and Control Commission issued its report, "America Burning". Subsequent to this report, the 1974 Act was enacted. This legislation created the U.S. Fire Administration (USFA), the National Fire Academy (NFA), And the Center for Fire Research in the National Bureau of Standards to address the fire problem identified in the report. In 1974, a reported 12,000 to 13,000 citizens of the United States lost their lives to fire. Due in large part to efforts of the USFA and NFA, the

number of lives lost has been reduced to approximately 6,000, according to preliminary 1987 data.

Under a reorganization plan in 1979, the USFA and NFA were placed within the Federal Emergency Management Agency (FEMA). The USFA And NFA are located at the National Emergency Training Center (NETC) in Emmitsburg, MD. The USFA has four main program areas: fire prevention and arson control; Federal fire policy and coordination; firefighter health and safety; and fire data and analysis. The NFA develops educational materials and conducts training classes at the Academy and at field locations.

The legislation is necessary to authorize the appropriation of funds for activities of the USFA and NFA for fiscal years 1989–1991, in order to continue the vital Federal fire effort.

Legislative History

H.R. 4419 was passed by the House of Representatives by voice vote on May 24, 1988. Similar legislation, S. 2381, was introduced by Senator Gore on May 12, 1988. A hearing was held on the bills on June 22, 1998. On June 28, 1988, in open executive session the Commerce Committee without objection ordered H.R. 4419 to be reported, after agreeing to an amendment offered by Senator McCain.

Estimated Costs

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office.

U.S. Congress,
Congressional Budget Office,
Washington, DC, July 8, 1988.

Hon. Ernest F. Hollings,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for H.R. 4419, an act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

James L. Blum,
Acting Director.

Congressional Budget Office Cost Estimate

1. Bill number: H.R. 4419.

2. Bill title: An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

3. Bill status: As ordered reported by the Senate Committee on Commerce, Science, and Transportation on June 28, 1988.

4. Bill purpose: This act authorizes appropriations for fiscal years 1989, 1990 and 1991 to carry out activities under the Federal Fire Prevention and Control Act of 1974. These activities include the administration of the U.S. Fire Administration and the National Emergency Training Center.

5. Estimated cost to Federal Government:

[By fiscal year, in millions of dollars]

	1989	1990	1991	1992	1993
Authorization level	17.0	17.7	18.5	.....	.....
Estimated outlays	9.4	14.6	17.4	8.2	3.0

The costs of this bill fall within budget function 450.

Basis of Estimate

This estimate assumes that the full amounts authorized will be appropriated prior to the beginning of each fisal year. Outlays are based on historical spending patterns of the emergency management planning and assistance activities of the Federal Emergency Management Agency

6. Estimated cost to state and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: On April 26, 1988, CBO transmitted a cost estimate for H.R. 4419, as ordered reported by the House Committee on Science, Space, and Technology on April 21, 1988. The estimated cost for the House-reported bill is identical to the estimated cost for this bill.

9. Estimate prepared by: Douglas Criscitello.

10. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

Regulation Impact Statement

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported.

NUMBER OF PERSONS COVERED

This legislation authorizes appropriations for fiscal years 1989, 1990, and 1991 to enable the USFA and NFA to carry out their functions under the 1974 Act. The number of persons covered by the bill should be consistent with current levels.

ECONOMIC IMPACT

The bill should have no economic impact on any individuals, businesses, or consumers.

PRIVACY

The bill will not have any adverse impact on the personal privacy of the individuals affected.

PAPERWORK

The Committee does not expect that this legislation will affect any paperwork requirements.

SECTION-BY-SECTION ANALYSIS

Section 1.—This section amends section 17 of the 1974 Act by adding a new subsection (g), to provide authorization of appropriations for activities of the USFA and NFA under that Act. The bill authorizes $17,039,000 for fiscal year (FY) 1989; $17,737,000 for FY 1990; and $18,464,000 for FY 1991. The FY 1989 figure is based on the FY 1988 appropriation level of $16,368,000, plus a 4.1 percent increase for inflation (CBO estimate). An annual 4.1 percent inflationary increase is also provided for FY 1990 and FY 1991.

The amount authorized to be appropriated would restore funds proposed to be eliminated or reduced by the administration for the USFA's Office of Fire Prevention and Arson Control and the travel stipend assistance program for students to attend training courses at the NFA.

In addition, new subsection (g) contains a limitation on the amount of these funds that may be expended for site administration at the NETC.

OFFICE OF FIRE PREVENTION AND ARSON CONTROL

Testimony presented at the Committee's hearing on this legislation indicated the vital nature of the functions performed by this Office. The five major program components of the Office are set out below, together with examples of the kinds of programs carried out within each Federal effort:

(1) Community Volunteer Fire Prevention Program—This Program is intended to involve citizens in improving fire safety. A key objective of the Program is to encourage the institutionalization of community-based education and prevention programs under state, local, and private funding once federal financial assistance ends.

(2) Public Education and Awareness Programs—These programs are intended to increase national awareness of fire safety issues. The Smoke Detector Installation and Maintenance Campaign and Partnerships Against Fire efforts were undertaken under these programs, as well as the Seasame Street Fire Safety Project and the Wildlands/Urban Fire Interface Effort.

(3) Quick Acting Residential Sprinkler System Program—Studies, research and development, testing, demonstrations and information development and dissemination activities aimed at the utilization of residential sprinklers are carried out pursuant to this program.

(4) Anti-arson Initiatives—Community-based anti-arson support grants (to assist local housing and community organizations to carry out targeted anti-arson projects), rural arson activities, and the Juvenile Firesetters Program are some of the activities performed under this program.

(5) Research and Technology Efforts—Efforts to reduce fire losses through research conducted by the Center for Fire Research, Operation Life Safety, and consideration of building codes and standards are carried out under this program.

Testimony at the Committee's hearing supported the essential nature of the Federal activities performed by the Office of Fire Prevention and Arson Control, as well as the inability of the States and local governments to carry out these kinds of programs. The bill as reported therefore restores $3,145,000 for Federal funds proposed to be eliminated by abolition of the Office of Fire Prevention and Arson Control.

TRAVEL STIPEND

In addition, the amount authorized by the bill would restore current funding levels ($822,000) for travel stipends to enable individuals to attend courses at the NFA. A nearly two-thirds reduction for FY 1989 was suggested by the administration, which has consistently attempted to reduce funds for this effort. However, the testimony presented at the Committee's hearing unanimously demonstrated that many firefighters would be unable to attend classes at the Emmitsburg facility if the travel stipend were not made available. The effectiveness of the outreach activities conducted by the NFA would obviously be severely affected by the suggested reduction in the travel stipend, and this would have negative effects on the overall level of preparedness by firefighters nationwide.

Witnesses at the Committee's hearing indicated that State and local governments already absorb training costs for firefighters. Local governments assume the costs of a student's salary while attending the NFA and the salary of replacement personnel. In addition, the local government pays for the student's meals at the NFA and local transportation expenses. The Federal contribution to the NFA training has been the provision of housing and long-distance transportation expenses.

In addition, the NFA provides an invaluable forum for the sharing of experience and techniques in firefighting that would not be replaced by training conducted merely at the local level. While many of these local training programs are very valuable, the opportunity to acquire additional information about alternative approaches is a significant contribution to fire safety. Reduction of the travel stipend would severely restrict, if not eliminate, this exchange of information. The Committee disagrees with the proposed reduction, and reaffirms its strong support for the travel stipend program. The bill as reported restores the funds proposed to be eliminated for this activity.

SITE ADMINISTRATION COST LIMITATION

The legislation also contains a limitation on the amount of funds authorized to be appropriated for costs of the NETC site at Emmitsburg, MD.

"Site administration" involves budget and fiscal operations, personnel matters, procurement activities, library functions, student admissions, and support efforts. In addition, maintenance, repair and renovation of buildings, utilities and grounds, administrative

support for these activities, and more general site administration functions are covered.

Testimony presented at the Committee's hearing indicated that Federal fire funds are being used for site administration at the NETC facility at Emmitsburg in an amount disproportionate to the NFA's use of the facility. Specifically, it appears that approximately 60 percent of the costs of NETC site administration are charged to program funds of the NFA and 80 percent of salaries and expenses at the NETC facility are derived from funds for the NFA. The NFA utilizes the NETC site for training about 60 percent of the total amount of usage. Therefore, it is clear that Federal fire funds are being diverted to support NETC site costs rather than to cover the costs of Federal fire activities, the purpose for which they were made available.

The Committee believes that more equitable distribution of the costs for site administration should be made so that the funding authorized for Federal fire activities under the 1974 Act is appropriately utilized.

The bill authorizes not more than $4,150,000 per year of fire funds to support site administration in FY 1989–91. This level represents 60 percent of the total funding for site administration in FY 1988. This limitation should not be construed to indicate that the Committee intends that other activities at the NETC be eliminated; rather, this provision is intended to require that the contribution of Federal fire funds to NETC site administration reflect the NFA's actual utilization of the facility. Other funds for the NETC's site administration should be derived from other sources which utilize the NETC, in accordance with their use.

Section 2.—The bill as reported also includes an amendment which requires the USFA to conduct a study concerning the quality, availability, and degree of use of fire prevention systems for the hearing-impaired. The study shall evaluate the quality and adequacy of equipment, and the extent of its installation in houses, apartments, hotels, and public buildings. The study will also consider the status of research on ways to improve the quality of this equipment, and the degree to which the equipment is required by States and model codes. The study may also consider the progress Federal agencies have made in complying with the Minimum Guidelines and Regulations for Accessible Design for fire prevention and warning devices for the hearing-impaired.

Testimony at the Committee's hearing suggested that some efforts are underway in this area. For example, some States require that places providing public accommodations have a few rooms available for the hearing-impaired that are equipped with smoke detectors of high intensity lights or strobe lighting. However, fire detection and fire warning devices are insufficient in supplying adequate warning to hearing-impaired Americans.

The report is to be completed and submitted to the Congress not later than January 1, 1989, together with recommendations on improvements in fire alarm and detection systems so that they may better serve the hearing-impaired population and how use of the systems can be encouraged.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman).

FEDERAL FIRE PREVENTION AND CONTROL ACT OF 1974

Section 17 of that Act

AUTHORIZATION OF APPROPRIATIONS

SEC. 17. (a) * * *

(b) through (f) * * *

(g)(1) Except as otherwise specifically provided with respect to the payment of claims under section 11 of this Act, there are authorized to be appropriated to carry out the purposes of this Act—

(A) $17,039,000 for the fiscal year ending September 30, 1989;

(B) $17,737,000 for the fiscal year ending September 30, 1990; and

(C) $18,464,000 for the fiscal year ending September 30, 1991.

(2) Of the amounts referred to in paragraph (1), not more than $4,150,000 is authorized to be appropriated for each fiscal year for National Emergency Training Center site administration.

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Calendar No. 848

100TH CONGRESS *2d Session*	SENATE	REPORT 100-436

PIPELINE SAFETY REAUTHORIZATION ACT OF 1988

Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

OF THE

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ON

S. 2424

JULY 28, 1988.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE
19-010 WASHINGTON : 1988

S263-16

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

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Calendar No. 848

100TH CONGRESS *2d Session* | SENATE | REPORT 100-436

PIPELINE SAFETY REAUTHORIZATIOIN ACT OF 1988

JULY 28, 1988.—Ordered to be printed

Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

[To accompany S. 2424]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 2424) to authorize appropriations under the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill do pass.

PURPOSE OF THE BILL

The bill would authorize appropriations for fiscal year (FY) 1988, 1989, and 1990 for carrying out the Natural Gas Pipeline Safety Act of 1968 (NGPSA) and the Hazardous Liquid Pipeline Safety Act of 1979 (HLPSA) and would make certain changes in both Acts.

BACKGROUND AND NEED

The NGPSA and the HLPSA provide for the Department of Transportation's (DOT) development and enforcement of regulations to govern the safe transportation by pipeline of natural gas and other hazardous liquids, such as gasoline and fuel oil. These standards are exclusively for interstate pipelines. States may impose additional standards for intrastate pipelines as long as they are compatible with the minimum Federal standards. Currently, the Office of Pipeline Safety within the Research and Special Programs Administration (RSPA) at DOT regulates pipeline safety under both the NGPSA and the HLPSA. The combined pipeline system consists of approximately 1.7 million miles of which there

are approximately 1.5 million miles of gas pipeline and 150,000 miles of hazardous liquid pipeline.

In order to foster State participation in safety regulation, both acts establish State grant-in-aid programs for natural gas and hazardous liquid pipeline safety enforcement. Under these programs, the Federal Government can cover up to 50 percent of the costs of a State enforcement program if the State adopts a qualifying pipeline safety program. States participating in the pipeline safety program conduct inspections of pipelines and related facilities subject to the acts and where necessary see that corrective measures are taken, either directly or through referral to DOT. All States except Alaska, Idaho, and South Dakota participate in the natural gas program. The District of Columbia and Puerto Rico are also participants. Nine States are participating in the hazardous liquid program which was initiated in FY 1986. Reimbursement figures for FY 1988 were approximately 29 percent for the natural gas program and 14 percent for the hazardous liquid program.

Both acts previously have been amended to focus and strengthen DOT's enforcement capacity. In April 1985, the Committee approved an authorization of appropriations for the pipeline safety programs for FY 1986 and 1987. The Senate passed this legislation and sent it to the House for consideration. The House, in turn, place pipeline safety authorization language for FY 1986 and 1987, with further amendments, in the House budget reconciliation bill, and pipeline safety provisions were ultimately included in the FY 1986 Budget Reconciliation Conference Report. Funding for pipeline safety programs since has continued through funds appropriated for these purposes. Also, the Consolidated Omnibus Budget Reconciliation Act of 1985 mandated the establishment and implementation of a pipeline safety user fee program to provide reimbursement funding for the pipeline safety program.

Legislative History

The Surface Transportation Subcommittee held a hearing on October 6, 1987, on reauthorization of the Federal pipeline safety programs. Witnesses at the hearing included Senator Durenberger, sponsor of S. 888, the Pipeline Safety Act of 1987, and Cynthia Douglass, Administrator of RSPA at DOT. Additional witnesses included representatives of the Minnesota Office of Pipeline Safety, the National Association of Regulatory Utility Commissioners, the American Gas Association, the Interstate Natural Gas Association of America, the Association of Oil Pipelines, and the American Petroleum Institute.

During the hearing, the subcommittee examined legislative proposals designed to strengthen various components of the programs, including S. 888. Other pipeline safety issues discussed included the adequacy of DOT's current regulatory scope; the need for mandatory one-call notification systems to alert excavators of the existence and location of underground facilities; the process and frequency of pipeline inspections and testing, including the adequacy of DOT's priority inspection program, progress in research and development projects relating to damage prevention and new inspection technologies, and the qualifications of pipeline operators and inspectors;

and the recent court challenge by the Mid-America Pipeline Company of the user fee which funds the pipeline safety program, and which is assessed on persons operating pipeline facilities subject to the HLPSA and pipeline transmission facilties and liquefied natural gas facilities subject to the NGPSA.

On May 23, 1988, Senator Exon introduced, on behalf of himself and Senators Durenberger and Pressler, S. 2424, the Pipeline Safety Act of 1988, which was referred to the Committee.

On May 24, 1988, the Committee met in open executive session to consider S. 2424, and without objection ordered the bill to be reported favorably.

Summary of Major Provisions

This legislation seeks to reauthorize the Federal pipeline safety program at levels sufficient to enable DOT to undertake the safety improvements required in this legislation.

Specifically, S. 2424 would:

1. Reauthorize funding for the NGPSA in the sum of $3,683,000 for FY 1988, $3,978,000 of FY 1989, and $4,086,000 for FY 1990. The bill reauthorizes funding for the HLPSA in the sum of $921,000 for FY 1988, $995,000 for FY 1989, and $1,021,000 for FY 1990. The bill provides State grant-in-aid authorization levels for both programs of $5,000,000 in FY 1988, $5,500,000 in FY 1989, and $5,500,000 in FY 1990. The FY 1988 figures were requested by the administration and represent a $1.08 million funding increase over the FY 1987 appropriation level. The FY 1989 and 1990 authorization levels take into account projected inflation during that period, the increase in the State grant-in-aid funding which would provide for the hiring of additional State pipeline safety inspectors, and increased funding for States participating in the hazardous liquid program. The bill limits to 20 percent the amount of the State pipeline safety grants that may be allocated to indirect expenses. Additionally, the bill allows the Secretary of DOT (Secretary) to reallocate unexpended grant funds appropriated for FY 1986 and 1987 to those States assuming new responsibilities or implementing a one-call program established under State law.

2. Provide the Secretary with authority under both the NGPSA and the HLPSA to require that all individuals responsible for the operation and maintenance of pipeline facilities be tested for qualifications and certified. The Committee intends that the Secretary, prior to exercising this authority, consult with representatives of the pipeline industry in order to determine the scope of employee coverage that would be desirable and the minimum qualifications that should be met.

3. Give the Secretary, under both the NGPSA and the HLPSA, one year to establish by regulation minimum Federal standards to improve the level of information related to the operation of pipeline facilities available, upon request, to the Secretary and the appropriate State official. This information includes business name, address, and emergency telephone number; accurate maps; a description of the operator's pipelines within a particular State; an operator's manual; a description of products transported; and an emergency response plan. The bill also requires the Secretary to

develop minimum standards within one year for completion and maintenance of an inventory of information related to pipe used by operators of pipeline facilities and the leak history of that pipe.

4. Give the Secretary authority, under both the NGPSA and the HLPSA, to require that inspections must be conducted by State employees meeting qualifications established by the Secretary.

5. Allow the Secretary, under both the NGSPA and the HLPSA, to set qualification requirements for the States to meet in order to participate in the grant program, including qualifications and possible training for State employees participating in the Federal-State inspection program.

6. Require the Secretary to develop procedures within one year to promote coordination between Federal and State agencies with respect to pipeline accidents.

7. Increase the civil penalty for pipeline safety violations, under both the NGPSA and the HLPSA, to up to $10,000 per violation for each day that a violation persists. The bill also would remove the previous cap for a related series of violations.

8. Provide criminal penalties, under both the NGPSA and the HLPSA, for anyone convicted to knowingly and willfully defacing, damaging, removing, or destroying any pipeline sign or right-of-way marker required by Federal law or regulation.

9. Improve the level and consistency of pipeline inspections under both Acts. The Secretary is required, subject to the availability of appropriations, to inspect pipeline facilities at least once every 2 years, and as appropriate require testing using the most appropriate technology for the characteristics of the pipeline facility.

10. Require the Secretary, within 18 months, to assess the feasibility of regulating excavators, such as contractors, whose excavation activities may result in pipeline damage, and report back to Congress.

11. Give the Secretary 18 months to issue regulations establishing minimum Federal requirements for the operation of one-call notifications systems for adoption by the States. Additionally, the bill provides that the Secretary consider whether a State has adopted or is seeking adoption of the one-call system in determining the level of funds the State will receive under the grant program.

12. Require the Secretary to study and report back to Congress within 18 months on the feasibility of requiring the inspection of transmission facilities with internal inspection devices at periodic intervals.

13. Require the Secretary, within one year, to study the safety, cost, feasibility, and effectiveness of requiring operations of pipeline facilities, subject to both acts, to install emergency flow restricting devices in existing and future pipeline systems. The bill also provides for an assessment of the cost and effectiveness of initiating a demonstration project using these devices.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the standing Rules of the Senate and section 403 of the Congressional Budget

Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office.

U.S. CONGRESS,
CONGRESIONAL BUDGET OFFICE,
Washington, DC, June 3, 1988.

Hon. ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 2424, the Pipeline Safety Reauthorization Act of 1988, as ordered reported by the Senate Committee on Public Works and Transportation, May 24, 1988. Enactment of this bill would have no net impact on the federal budget, if user fees previously enacted are not invalidated by the courts.

S. 2424 would authorize appropriations of $9.6 million, $10.5 million and $10.6 million in fiscal years 1988, 1989, and 1990, respectively, for the department of Transportation, to administer the Natural Gas Pipeline Safety and Hazardous Liquid Pipeline Safety acts and to make grants to states. The existing pipeline safety appropriation for fiscal year 1988 is $8.6 million. Under Title VII of the Consolidated Omnibus Budget Reconciliation Act of 1985, the costs of pipeline safety programs are to be offset by user fees imposed on pipeline operators. Thus, the amounts authorized in this bill, if appropriated, would be offset by collections from nonfederal sources. The United States District Court in Oklahoma has ruled that this fee is unconstitutional, but that decision is being appealed, and the fee continues to be collected.

Specifically, S. 2424 would authorize $4.60 million, $4.97 million and $5.11 million in fiscal years 1988, 1989, and 1990, respectively, for federal activities. For state grants, the bill would authorize $5.0 million in 1988 and $5.5 million in each of fiscal years 1989 and 1990. In addition, funds appropriated in fiscal years 1986 and 1987 but not expended for state grants would be set aside for special grants to states that undertake new pipeline safety responsibilities or implement a one-call damage prevention program.

S. 2424 would require the Department of Transportation to inspect pipeline facilities at least once every two years, subject to sufficient appropriations. Based on information provided by the Department of Transportation, CBO expects that about four additional inspectors would be needed to meet this requirement. This bill would also mandate or authorize the department to undertake a number of regulatory actions and studies. CBO estimates that these studies may cost the department as much as $500,000 over two years, but this depends on their scope and the extent to which the department is able to share these costs with other organizations. These costs would fall within the authorization for federal activities and would be covered by user fees.

CBO expects that this legislation would not result in significantly increased costs for state and local governments. S. 2424 would direct the department to issue minimum federal requirements for one-call notification systems, and would require states to adopt such a system in order to receive the maximum available grant reimbursement. "One-call" systems, which provide excavators and

others with a single phone number to call for information about buried utility lines, are generally operated and funded by utilities.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JAMES L. BLUM,
Acting Director.

REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported.

NUMBER OF PERSONS COVERED

This legislation primarily authorizes existing programs with most of the changes being administrative or requiring research and reporting to Congress prior to further action. However, DOT is given the authority to certify the qualifications of State inspectors and individuals responsible for the operation and maintenance of pipeline facilities. If DOT exercises its discretion in these two areas, the Committee estimates that approximately 270 State inspectors and 116,500 individuals who operate and maintain pipeline facilities could be covered.

ECONOMIC IMPACT

The economic impact of the legislation will primarily affect DOT and the pipeline industry. With respect to DOT, under the bill's provision granting DOT the authority to certify the qualifications of State inspectors and individuals responsible for the operations and maintenance of pipeline facilities, DOT likely would incur some additional administrative costs. DOT likely would incur some additional administrative costs. DOT also could incur some additional administrative and research costs in order (1) to comply with the rulemaking requirements with respect to minimum Federal standards for information to be made available regarding the operation of pipeline facilities and one-call notification systems; (2) to assess the feasibility of regulating excavators; and (3) study and report on the feasibility of requiring the inspection of transmission facilities with internal inspection devices at periodic intervals.

Some additional resources might also be expended by DOT to enforce its authority regarding the qualifications of State employees; to enforce penalties related to the destruction of pipeline signs and markers; and to study the feasibility and effectiveness of requiring operators of pipeline facilities to install emergency flow devices in existing and future pipeline systems. The requirement in the bill that DOT, subject to advance appropriations, inspect and, as appropriate, require testing of pipeline facilities once every 2 years may require slightly greater resources than the system of inspecting every 2½ years which DOT is currently in the process of implementing.

It is important to note that several of the study requirements in the legislation have been considered by DOT and are in the process

of being initiated. Also, costs related to the pipeline safety programs are offset by user fees imposed on pipeline operators.

With respect to the pipeline companies, increased penalties could be imposed on pipeline companies found in violation of pipeline safety laws. The current maximum civil penalty of $1,000 per day per violation with a maximum aggregate of $200,000 for a related series of violations was set in 1968. The bill would increase the maximum per day per violation penalty to $10,000 and remove the cap for a series of violations. Pipeline companies may also incur some expenses associated with providing, upon request, to the Secretary and appropriate State pipeline officials, additional information regarding the pipeline facilities.

PRIVACY

The bill will have no adverse impact on the personal privacy of the individuals affected.

PAPERWORK

With respect to paperwork requirements, the Committee does not foresee a significant increase in the current level as a result of this legislation except if DOT decides to establish a Federal certification program for those individuals responsible for the operation and maintenance of pipeline facilities. In this event, some paperwork would be required of pipeline companies as documentation would need to be submitted to DOT showing that they have qualification programs for those who operate and maintain pipeline facilities.

Also, under section 5 of the bill, DOT is required to establish within one year minimum Federal standards to improve the level of information available, upon request, to the Secretary and the appropriate State official related to the operation of pipeline facilities. Pipeline companies currently maintain most of this information in some form, including an emergency telephone number, accurate maps, a description of the operator's pipelines and products transported within the State, an operations manual, and an emergency response plan. However, the standards that DOT develops regarding the provision of this information could require a different compilation or reporting method for this information and thus might alter the existing paperwork burden.

Section-by-Section Analysis

SECTION 1.—SHORT TITLE

This section provides that the legislation may be cited as the "Pipeline Safety Reauthorization Act of 1988".

SECTION 2.—AUTHORIZATION OF APPROPRIATIONS

This section amends section 17(a) of the NGPSA to authorize $3,683,000 for the fiscal year ending September 30, 1988, $3,978,000 for the fiscal year ending September 30, 1989, and $4,086,000 for the fiscal year ending September 30, 1990. This section also amends section 214(a) of the HLPSA to authorize appropriations of $921,000 for FY 1988, $995,000 for FY 1989, and $1,021,000 for FY 1990 for the purpose of carrying out the Act.

SECTION 3.—GRANTS-IN-AID AUTHORIZATION

This section amends subsection (c) of section 17 of the NGPSA to authorize $5,000,000 for FY 1988, $5,500,000 for FY 1989, and $5,500,000 for FY 1990 to fund the State grant program for the NGPSA and the HLPSA. The increased funding levels for the State grant-in-aid program seek to improve and expand State pipeline safety efforts and to reduce the Federal inspection burden.

Subsection (b) of this section provides that not more than 20 percent of the amount of a grant made to a State under the grant program may be used for indirect costs.

Section 17 of the NGPSA is amended by adding a new subsection (e) to allow the Secretary to make grant funds appropriated for FY 1986 and 1987, but not expended or earmarked, available to States under section 5(d) of the NGPSA and section 205(d) of the HLPSA. The authorized uses of these funds are intended to serve as an incentive for improved State pipeline safety programs. Thus, additional monies may be made available to aid a State which takes on new responsibilities for intrastate pipeline transportation safety, such as by adopting a hazardous liquid program, or to help a State implement a one-call damage prevention program which mandates universal participation by pipeline companies. These limitations on the uses of pipeline grant funds as well as the cap of $75,000 placed on an award to an individual State apply only to the funds allocated under this subsection. An individual State which is already receiving full 50 percent funding may not receive additional funds under this section.

SECTION 4.—CERTIFICATION AUTHORITY

This section amends section 3(a)(1) of the NGPSA and section 203(c) of the HLPSA to permit the Secretary to establish minimum Federal standards for the qualification and certification of individuals responsible for the operation and maintenance of pipeline facilities.

SECTION 5.—STATE NOTIFICATION AND PIPELINE INVENTORY

This section amends section 3 of the NGPSA by adding at the end new subsections (e) and (f), and section 203 of the HLPSA by adding new subsections (i) and (j).

New sections 3(e) and 203(i) together require the Secretary within one year of the date of enactment to establish by regulation minimum Federal standards requiring operators of natural gas and hazardous liquid pipeline facilities to the extent practicable to provide and update information to appropriate State officials and the Secretary. The information is to be provided to the Secretary or an appropriate State official, upon request. The information includes: (1) the business name, address, phone number, and emergency phone number of the operator; (2) an accurate map or maps and appropriate supplementary geographic descriptions showing the location of major pipeline facilities in the State; (3) a description of the operator's pipelines within that State; (4) the manual that governs operations and maintenance of the pipeline facilities located in the State; (5) a description of products transported through the pipelines within the State; (6) an emergency response plan describ-

ing the operator's procedures for responding to and containing releases; and (7) any other information the Secretary considers useful and necessary to inform State of the presence and operations of pipeline facilities.

The mapping provision in new section 3(e) of the NGPSA and new section 203(i) of the HLPSA would require, through promulgation of regulations by DOT, standards by which each pipeline operator would maintain and update an accurate map or maps showing the location of their major facilities.

The need for accurate pipeline maps has been examined by the General Accounting Office and the National Transportation Safety Board (NTSB), and the NTSB has urged DOT to promulgate national standards. In particular, pre-construction maps and surveys that the pipeline companies use may not necessarily reflect changes made in location when the pipeline is actually laid. Accurate post-construction maps would augment, but should not replace, the "one-call" system used to advise utility companies, developers, and construction crews of the pipeline facilities' location prior to any excavation.

New section 3(f) of the NGPSA and new section 203(j) of the HLPSA together require the Secretary within one year of date of enactment to establish minimum Federal standards to require operators of pipeline facilities, to the extent practicable, to complete, maintain, and revise as appropriate, an inventory of all types of pipe used in their transmission systems and the material and leak history of that pipe. The inventory is to exclude equipment associated with the compression of gas, pipeline pumps, or liquid storage facilities. The Committee also intends that liquid natural gas plants not be included in the inventory.

SECTION 6.—STATE ENFORCEMENT

This section amends section 5(a)(3) of the NGPSA and section 205(a)(3) of the HLPSA to add a new statutory requirement for State certification. The requirement is that inspections must be conducted by State employees who meet any qualification standards which are issued by the Secretary pursuant to the authority provided for in section 5(d) of the NGPSA and Section 205(d) of the HLPSA, respectively. The requirement that States participating in the Federal/State pipeline partnership employ only inspectors meeting qualification requirements prescribed by DOT would ensure a more uniform level of regulation and enforcement.

SECTION 7.—QUALIFICATIONS FOR STATE GRANT PROGRAMS

This section amends section 5(d) of the NGPSA and section 205(d) of the HLPSA by adding a new paragraph (5) to each. These new paragraphs allow the Secretary to issue regulations which would establish qualifications for States to meet in order to participate in the pipeline safety State grant program. With this expansion of authority, the Secretary could designate specific qualification requirements in order to achieve more uniform programs among States. This section specifically includes authority for the Secretary to establish qualifications for State inspectors.

SECTION 8.—FEDERAL-STATE COOPERATION IN CASE OF ACCIDENT

This section amends section 9 of the NGPSA and section 212 of the HLPSA by adding new subsections (b) and (d), respectively, which require the Secretary to establish procedures to promote effective coordination between Federal and State agencies with regulatory authority over pipeline facilities with respect to responses to accidents. The Secretary has one year from date of enactment to establish these procedures.

SECTION 9.—INCREASED CIVIL PENALTIES

This section amends Section 11(a)(1) of the NGPSA and Section 208(a)(1) of the HLPSA, by increasing the civil penalty which the Secretary may assess for each pipeline safety violation up to $10,000 per violation per day and eliminating any maximum on the aggregate penalty for a related series of violations. Currently, the NGPSA and the HLPSA establish civil penalties of a maximum of $1,000 per violation per day with a maximum aggregate of $200,000 for a related series of violations. These limits first were set when the NGPSA was enacted in 1968, were incorporated in the HLPSA in 1979, and have not been amended since then.

Enforcement experience under the statute indicates a need to strengthen DOT's authority with respect to civil penalties in order that they maintain their deterrent effect. When DOT cannot establish more than one day of a violation, the existing statutory limit of $1,000 is simply too low, in many cases, for effective deterrence. Moreover, raising the maximum penalty would allow greater discretion to adjust penalties more equitably with regard to the size of the particular company involved. Removing the maximum aggregate limit for a series of related violations would provide authority for DOT to appropriately sanction particularly egregious violations, or those with catastrophic results. Finally, the proposal would conform the civil penalty amounts under the NGPSA and HLPSA for pipeline transportation of hazardous materials with the amounts under the Hazardous Materials Transportation Act (HMTA).

Also to conform with the HMTA, this section would provide statutory clarification of DOT's existing penalty assessment procedure, codified in 49 CFR Section 190.211, which requires notice and an opportunity for an informal hearing prior to issuance of a final administrative order assessing a civil penalty. Elevating these due process procedures to the statute would enhance the likelihood that courts would give proper deference to DOT's administrative decisions and recognize the traditional substantial evidence test as the proper standard for judicial review of such decisions.

SECTION 10.—DESTRUCTION OF SIGNS OR MARKERS

This section amends section 11(c) of the NGPSA and section 208(c) of the HLPSA to provide for criminal penalties for anyone convicted of knowingly and willfully defacing, damaging, removing, or destroying any pipeline sign or right-of-way marker required by Federal law or regulation.

SECTION 11.—ADDITONAL INSPECTION AND TESTING

This section amends section 13 of the NGPSA and section 210 of the HLPSA by adding at the end new subsections (b) and (d), repectively, which require the Secretary to inspect and, as appropriate, to require testing of pipeline facilities not covered by a State agreement or certification under section 5 of the NGPSA or section 205 of the HLPSA to ensure safety. Subject to appropriated funds, these inspections shall be conducted no less than every 2 years and shall begin as soon as feasible, but no later than 1 year after the date of enactment. These new subsections require that the testing be performed using the most appropriate technology for the characteristics of the pipeline facility). In determining what technology is most appropriate, the Committee expects the Secretary to consider the degree to which the testing would result in the loss or disruption of service at any one time to a significant number of customers.

This section also amends section 14(a) of the NGPSA and section 211(a) of the HLPSA to require the Secretary to notify the appropriate State official in the State where the pipeline is located, prior to requiring such testing.

SECTION 12.—FEASIBILITY OF REGULATING EXCAVATION ACTIVITIES

This section amends section 14(a) of the NGPSA and section 211(a) of the HLPSA so as to require the Secretary to assess the feasibility of regulating excavators and to report back to Congress with recommendations within one year of the date of enactment.

The existing law does not grant specific authority to the Secretary to regulate excavators or their activities, but that authority could be sought if it were ultimately determined to be desirable. Outside-force damage to pipelines is the single greatest cause of pipeline accidents. While RSPA has worked closely with the States and the pipeline operators to develop programs to prevent this damage, excavators continue to dig without first locating the pipeline. Therefore, an analysis of the program, assessment of the proper Federal role and recommendations for addressing the program would be beneficial to enhancing pipeline safety.

SECTION 13.—ONE-CALL NOTIFICATION SYSTEMS

This section amends the NGPSA by adding a section 20 which would allow the Secretary, when making allocations under section 5 of the NGPSA and under section 205 of the HLPSA, to consider whether a State has adopted or is seeking to adopt a one-call system, in determining whether a State may receive the full reimbrusement under such sections to which it would otherwise be entitled. This section would also require the Secretary, within 18 months, to establish minimum Federal requirements for the operation of one-call notification systems for adoption by States relating to notification of operators of pipeline facilities and underground electric transmission and distribution lines of activities in the vicinty of a pipeline facility or underground electric transmission or distribution line which could threaten the safety of such facility or line.

SECTION 14.—INTERNAL INSPECTION OF PIPELINES

This section requires that the Secretary study the feasibility of requiring the inspection of transmission facilities with internal inspection devices at periodic intervals.

This section also requires the Secretary to submit a report to the Congress detailing the findings made in the study, together with any recommendations for appropriate legislation, within 18 months after the date of enactment.

SECTION 15.—EMERGENCY FLOW RESTRICTING DEVICES

This section requires the Secretary to conduct a study of the safety, cost, feasibility and effectiveness of requiring operators of pipeline facilities subject to the NGPSA and the HLPSA to install emergency flow restricting devices in existing and future pipeline systems. It further requires the Secretary to assess the cost and effectiveness of a demonstration project of such emergency flow restriction devices.

This section requires the Secretary to report to Congress within one year after the date of enactment the findings in the study, together with any recommendations for appropriate legislation.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman).

THE NATURAL GAS PIPELINE SAFETY ACT OF 1968

Section 3 of that Act

STANDARDS ESTABLISHED

SEC. 3. (a)(1) The Secretary, shall, by regulation, establish minimum Federal safety standards for the transportation of gas and pipeline facilities. Such standards may apply to the design, installation, inspection, emergency plans and procedures testing, construction, extension, operation, replacement, and maintenance of pipeline facilities. *Such standards may include a requirement that all individuals responsible for the operation and maintenance of pipeline facilities be tested for qualifications and certified to perform such functions.* Standards affecting the design, installation, construction, initial inspection, and initial testing shall not be applicable to pipeline facilities in existence on the date such standards are adopted. Such Federal safety standards shall be practicable and designed to meet the need for pipeline safety. In prescribing such standards, the Secretary shall consider—

(A) relevant available pipeline safety data;

(B) whether such standards are appropriate for the particular type of pipeline transportation or facility;

(C) the reasonableness of any proposed standards; and

(D) the extent to which such standards will contribute to public safety.

Any State agency may adopt additional or more stringent safety standards for intrastate piepline transportation if such standards are compatible with the Federal minimum standards. No State agency may adopt or continue in force any such standards applicable to interstate transmission facilities, after the Federal minimum standards become effective.

(2) through (3) * * *

(b) through (d) * * *

(e) Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish by regulation minimum Federal standards requiring operators of pipeline facilities subject to this Act (to the extent practicable) to provide, and revise as necessary, information relating to the operation of such facilities. Such information shall be completed and maintained and be provided, upon request, to the Secretary and the appropriate State official. Such information shall include the following:

(1) The business name, address, and telephone number, including an operations emergency telephone number, of the operator.

(2) An accurate map or maps, along with any appropriate supplementary geographic description, showing the location of major pipeline facilities, including all transmission lines and significant distribution lines, of such operator in the State.

(3) A description of the characteristics of the operator's pipelines within the State.

(4) The manual that governs operations and maintenance of the pipeline facilities located in the State.

(5) A description of all products transported through the operator's pipelines within the State.

(6) An emergency response plan describing the operator's procedures for responding to and containing releases, including—

(A) an identification of specific actions that will be taken by the operator on discovery of a release;

(B) liaison procedures with State and local government agencies for emergency response; and

(C) communication and alert procedures for immediate notification of State and local officials at the time of any release.

(7) Any other information the Secretary considers useful and necessary to inform the State of the presence of pipeline facilities and operations within their boundaries.

(f) The Secretary shall, by regulation, establish minimum Federal standards to require, not later than 1 year after the date of enactment of this subsection, operators of pipeline facilities subject to this Act, to the extent practicable, to complete and maintain for the Secretary, and to revise as appropriate thereafter, an inventory with appropriate information with respect to all types of pipe used for the transmission of gas in such operator's system, along with additional information such as the material history and the leak history of such pipe. Such inventory shall exclude equipment used with the compression of gas.

Section 5 of that Act

STATE CERTIFICATIONS AND AGREEMENTS

SEC. 5. (a) Except for section 19 and except as otherwise provided in this section, the authority of the Secretary under this Act to prescribe safety standards and enforce compliance with such standards shall not apply to intrastate pipeline transportation when the safety standards and practices applicable to same are regulated by a State agency (including a municipality) which submits to the Secretary an annual certification that such State agency (1) has regulatory jurisdiction over the safety standards and practices of such transportation; (2) has adopted, as of the date of the certification, each Federal safety standard established under this Act which is applicable to such transportation or, with respect to each such Federal safety standard established within one hundred and twenty days before the date of the certification, is taking steps pursuant to State law to adopt such standard; (3) is enforcing each such standard *through means which include inspections conducted by State employees who meet qualifications established by the Secretary under subsection (d) of this section*; (4) is encouraging and promoting programs designed to prevent damage to pipeline facilities as a consequence of demolition, excavation, tunneling, or construction activity; and (5) has the authority to require record maintenance, reporting, and inspection substantially the same as are provided under section 14 and the filing for approval of plans of inspection and maintenance described in section 13; and that the law of the State makes provision for the enforcement of the safety standards of such State agency by way of injunctive and monetary sanctions substantially the same as are provided under sections 11 (other than subsection (a)(2) thereof) and 12. * * *

(b) through (c) * * *

(d)(1) * * *

(2) through (4) * * *

(5) The Secretary may establish by regulation qualifications for States to meet in order to participate in the pipeline safety grant program under this subsection, including qualifications for State employees who perform inspection activities pursuant to either an annual certification by a State agency or an agreement relating to inspection between a State agency and the Secretary. Such regulations may take into account the experience and training of the State employee, may mandate training or other requirements, and may provide for conditional approval of qualifications pending satisfaction of specified requirements.

Section 9 of that Act

COOPERATION WITH FEDERAL ENERGY REGULATORY COMMISSION AND STATE COMMISSIONS

SEC. 9. *(a)* Whenever the establishment of a standard or action upon application for waiver under the provisions of this act, would affect continuity of any gas services, the Secretary shall consult with and advise the Federal Energy Regulatory Commission or State commission having jurisdiction over the affected pipeline fa-

cility before establishing the standard or acting on the waiver application and shall defer the effective date until the Federal Energy Regulatory Commission or any such commission has had reasonable opportunity to grant the authorization it deems necessary. * * *

(b) Not later than 1 year after the date of enactment of this subsection, after consultation with appropriate State officials, the Secretary shall establish procedures to promote more effective cooordination between the agencies of the United States and of the States with regulatory authority over pipeline facilities with respect to response to pipeline accidents.

Section 11 of that Act

PENALTIES

SEC. 11. (a)(1) Any person who is determined by the Secretary, *after notice and an opportunity for a hearing,* to have violated any provisions of section 10(a) or any regulation or order issued under this Act including any order issued under sections 10(b) and 12(b) shall be liable to the United States for a civil penalty of not more than **[**$1,000**]** *$10,000* for each violation for each day that violation persists**[**, except that the maximum civil penalty shall not exceed $200,000 for any related series of violations**]**.

(b) * * *

(c)(1) * * *

(2) * * *

(3) Any person who willfully and knowingly defaces, damages, removes, or destroys any pipeline sign or right-of-way marker required by Federal law or regulations shall, upon conviction, be subject, for each offense, to a fine of not more than $5,000, imprisonment for a term not to exceed 1 year, or both.

(d) * * *

Section 13 of that Act

INSPECTION AND MAINTENANCE PLANS

SEC. 13. *(a)* Each person who engages in the transportation of gas or who owns or operates intrastate pipeline transportation facilities shall prepare, maintain at such office or offices of that person as the Secretary determines appropriate, and carry out a written current plan for inspection and maintenance of each facility used in such transportation and owned or operated by such person, and any changes in such plan, in accordance with regulations prescribed by the Secretary or appropriate State agency. * * *

(b) The Secretary shall inspect and, as approprriate, shall require testing of pipeline facilities subject to this Act and not covered by an agreement or certification under section 5 of this Act to ensure the safety of such pipeline facilities. To the extent and in such amounts as are provided in advance in appropriations Acts, such inspections shall be conducted no less frequently than once every 2 years. Such inspections shall begin as soon as feasible, but in no event more than 1 year after the date of enactment of this subsection. Such testing shall be performed using the most appropriate technology for the characteristics of the pipeline facility.

Section 14 of that Act

POWERS AND DUTIES OF THE SECRETARY

SEC. 14. (a) The Secretary may, to the extent necessary to carry out his responsibilities under this Act, conduct investigations, make reports, issue subpenas, conduct hearings, require the production of relevant documents and records, take depositions, and conduct, directly or, by contract, or otherwise, research, testing, development, demonstration, and training activities; however, before the Secretary may exercise authority under this section to require testing of portions of pipeline facilities subject to the provisions of this Act which have been involved in or affected by an accident, he shall make every effort to negotiate a mutually acceptable plan with the owner of such facilities and, where appropriate, the National Transportation Safety Board for perfoming such testing. In conducting training activities for State or local government personnel in the enforcement of regulations issued under this Act, the Secretary may not assess any charge or fee in the nature of tuition. *Prior to requiring such testing, the Secretary shall notify the appropriate State official in the State in which the affected pipeline facility is located. The Secretary shall assess the feasibility of regulating persons whose excavation activities may result in a pipeline damage and, not later than 18 months after the date of enactment of this sentence, transmit to Congress a report on the results of such assessment together with any legislative recommendations of the Secretary concerning regulation of such persons.*

(b) through (e) * * *

Section 17 of that Act

APPROPRIATIONS AUTHORIZED

SEC. 17. (a) For the purpose of carrying out the provisions of this Act (other than provisions for which funds are authorized to be appropriated under subsection (b) or (c)), there are authorized to be appropriated—

(1) through (3) * * *

(4) $3,450,000 for the fiscal year ending September 30, 1986; [and]

(5) $3,200,000 for the fiscal year ending September 30, 1987[.]*;*

(6) $3,683,000 for the fiscal year ending September 30, 1988;

(7) $3,978,000 for the fiscal year ending September 30, 1989; and

(8) $4,086,000 for the fiscal year ending September 30, 1990.

(b) * * *

(c) For the purpose of carrying out the Federal grants-in-aid provisions of section 5(d) of this Act and section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)) there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1986, [and] $5,200,000 for the fiscal year ending September 30, [1987.] *1987, $5,000,000 for the fiscal year ending September 30, 1988, $5,500,000 for the fiscal year ending*

September 30, 1989, and $5,500,000 for the fiscal year ending September 30, 1990.

(d)*(1)* Not less than 5 percent of any amounts appropriated for carrying out the Federal grants-in-aid provisions for any fiscal year beginning after September 30, 1985, shall be available only for carrying out the Federal grants-in-aid provisions of section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)).

(2) Not more than 20 percent of the amount of a pipeline safety grant made to a State under section 5(d) of this Act and section 205(d) of the Hazardous Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)) may be allocated to indirect expenses.

(e) The Secretary shall make available for grants to the States any funds appropriated for the fiscal years ending after September 30, 1986, and September 30, 1987, that have not been expended in making grants under section 5(d) of this Act and section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. App. 2004(d)). Grants made under this subsection shall be available to States which in 1988 or thereafter (1) undertake new responsibilities under section 5(a) of this Act or section 205(a) of the Hazardous Liquid Pipeline Safety Act of 1979, or (2) implement a one-call damage prevention program established under State law, except that nothing in this subsection shall result in any State receiving grant funds under this Act or under the Hazardous Liquid Pipeline Safety Act of 1979 in excess of 50 percent of its allowable pipeline safety costs and no State shall receive funds under this subsection in excess of $75,000. Funds authorized under this subsection shall remain available until expended.

New Section 20 of that Act

ONE-CALL NOTIFICAITON SYSTEMS

SEC. 20. (a) In making allocations under section 5 of this Act, and under section 205 of the Hazardous Liquid Pipeline Safety Act of 1979, the Secretary shall consider whether a State has adopted or is seeking adoption of a one-call notification system under subsection (b) in determining whether a State may receive the full reimbursement under such sections to which it would otherwise be entitled.

(b) Not later than 18 months after the date of enactment of this section, the Secretary shall issue regulations establishing minimum Federal requirements for operation of one-call notification systems for adoption by States as described in subsection (a) of this section relating to notification of operators of pipeline facilities and underground electric transmission and distribution lines of activities in the vicinity of a pipeline facility or underground electric transmission or distribution line which could threaten the safety of such facility or line.

THE HAZARDOUS LIQUID PIPELINE SAFETY ACT OF 1979

REGULATIONS GOVERNING HAZARDOUS-LIQUID PIPELINE FACILITIES

SEC. 203. (a) * * *

(b) * * *

(c) Standards under this section may apply to the design, installation, inspection, emergency plans and procedures, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities. *Such standards may include a requirement that all individuals responsible for the operation and maintenance of pipeline facilities be tested for qualifications and certified to perform such functions.* Any standard issued under this section affecting the design, installation, construction, initial inspection, and initial testing shall not be applicable to pipeline facilities in existence on the date such standard is adopted.

(d) through (h) * * *

(i) Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish by regulation minimum Federal standards requiring operators of pipeline facilities subject to this title (to the extent practicable) to provide, and revise as necessary, information relating to operation of such facilities. Such information shall be completed and maintained and be provided, upon request, to the Secretary and an appropriate official of a State, as the case may be. Such information shall include the following:

(1) The business name, address, and telephone number, including an operations emergency telephone number, of the operator.

(2) An accurate map or maps, along with any appropriate supplementary geographic description, showing the location of major pipeline facilities of such operator in the State.

(3) A description of the characteristics of the operator's pipelines within the State.

(4) The manual that governs operations and maintenance of the pipeline facilities located in the State.

(5) A description of all products transported through the operator's pipelines within the State.

(6) An emergency response plan describing the operator's procedures for responding to and containing releases, including—

(A) an identification of specific actions that will be taken by the operator on discovery of a release;

(B) liaison procedures with State and local government agencies for emergency response; and

(C) communication and alert procedures for immediate notification of State and local officials at the time of any release.

(7) Any other information the Secretary considers useful and necessary to inform the States of the presence of pipeline facilities and operations within their boundaries.

(j) The Secretary shall, by regulation, establish minimum Federal standards to require, not later than 1 year after the date of enactment of this subsection, operators of pipeline facilities subject to this title, to the extent practicable, to complete and maintain for the Secretary, and revise as appropriate thereafter, an inventory with appropriate information with respect to all types of pipe used for the transmission of hazardous liquids in such operator's system, along with additional information such as the material history and the leak history of such pipe. Such inventory shall exclude equipment associated only with the pipeline pumps or storage facilities.

Section 205 of that Act

STATE CERTIFICATIONS AND AGREEMENTS

SEC. 205. (a) Except for section 215 and except as otherwise provided in this section, the authority of the Secretary under this Act to prescribe safety standards and enforce compliance with such standards shall not apply to intrastate pipeline facilities or the transportation of hazardous liquids associated with those facilities, when the safety standards and practices applicable to same are regulated by a State agency which submits to the Secretary an annual certification that such State agency—

(1) through (2) * * *

(3) is enforcing each such standard *through means which include inspections conducted by State employees who meet qualifications established by the Secretary under subsection (d) of this section;*

(4) through (5) * * *

* * * * * * *

(b) through (c) * * *

(d)(1) * * *

(2) through (4) * * *

(5) The Secretary may establish by regulation qualifications for States to meet in order to participate in the pipeline safety grant program under this subsection, including qualifications for State employees who perform inspection activities pursuant to either an annual certification by a State agency or an agreement relating to inspection between a State agency and the Secretary. Such regulations may take into account the experience and training of the State employee, may mandate training or other requirements, and may provide for conditional approval of qualifications pending satisfaction of specified requirements.

(e) through (g) * * *

Section 208 of that Act

PENALTIES

SEC. 208. (a)(1) Any person who is determined by the Secretary, *after notice and an opportunity for a hearing,* to have violated any provisions of section 207(a) or any regulation or order issued under this title, including any order issued under section 207(b) or 209(b), shall be liable to the United States for a civil penatly of not more than **[**$1,000**]** *$10,000* for each violation for each day that violation persists**[**, except that the maximum civil penalty shall not exceed $200,000 for any related series of violations**]**.

(2) * * *

(b) * * *

(c)(1) * * *

(2) * * *

(3) Any person who willfully and knowingly defaces, damages, removes, or destroys any pipeline sign or right-of-way marker rquired by Federal law or regulation shall, upon conviction, be subject, for each offense, to a fine of not more than $5,000, imprisonment for a term not to exceed 1 year, or both.

(d) * * *

Section 210 of that Act

INSPECTION AND MAINTENANCE

SEC. 210. (a) * * *
(b) through (c) * * *
(d) The Secretary shall inspect and, as appropriate, shall require testing of pipeline facilities subject to this title and not covered by an agreement or certification under section 205 of this title to ensure the safety of such pipeline facilities. To the extent and in such amounts as are provided in advance in appropriations Acts, such inspections shall be conducted no less frequently than once every 2 years. Such inspections shall begin as soon as feasible, but in no event more than 1 year after the date of enactment of this subsection. Such testing shall be performed using the most appropriate technology for the characteristics of the pipeline facility.

Section 211 of that Act

POWERS AND DUTIES OF THE SECRETARY

SEC. 211. (a) The Secretary may, to the extent necessary to carry out his responsibilities under this title, conduct investigations, make reports, issue subpenas, conduct hearings, require the production of relevant documents and records, take depositions, and conduct, directly or, by contract, or otherwise research, testing, development, demonstration, and training activities; however, before the Secretary may exercise authority under this section to require testing of portions of pipeline facilities subject to the provisions of this title which have been involved in or affected by an accident, he shall make every effort to negotiate a mutually acceptable plan with the owner of such facilities and, where appropriate, the National Transportation Safety Board for performing such testing. In conducting training activities for State or local government personnel in the enforcement of regulations issued under this Act, the Secretary may not assess any charge or fee in the nature of tuition. *Prior to requiring such testing, the Secretary shall notify the appropriate State official in the State in which the affected pipeline facility is located. The Secretary shall assess the feasibility of regulating persons whose excavation activities may result in pipeline damage and, not later than 1 year after the date of enactment of this sentence, transmit to Congress a report on the results of such assessment together with any legislative recommendations of the Secretary concerning regualtion of such persons.*

Section 212 of that Act

PIPELINE SAFETY COORDINATION AND COOPERATION

SEC. 212. (a) * * *
(b) through (c) * * *
(d) Not later than 1 year after the date of enactment of this subsection, after consultation with appropriate State officials, the Secretary shall establish procedures to promote more effective coordination between the agencies of the United States and of the States

with regulatory authority over pipeline facilities with respect to responses to pipeline accidents.

Section 214 of that Act

APPROPRIATIONS AUTHORIZED

SEC. 214. (a) For the purpose of carrying out the provisions of this title (other than provisions for which funds are authorized to be appropriated under subsection (b) or section 17(c) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. App. 1684(c) [49 USCS Appx. § 1684(c)], there are authorized to be appropriated—

(1) $1,800,000, for the fiscal year ending September 30, 1980;
(2) $2,100,000, for the fiscal year ending September 30, 1981;
(3) $900,000, for the fiscal year ending September 30, 1985;
(4) $875,000 for the fiscal year ending September 30, 1986; [and]
(5) $800,000 for the fiscal year ending September 30, 1987[.];
(6) $921,000 for the fiscal year ending September 30, 1988;
(7) $995,000 for the fiscal year ending September 30, 1989; and
(8) $1,021,000 for the fiscal year ending September 30, 1990.

(b) * * *

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